

# Division of Building Safety

Analyst: Milstead

## Historical Summary

<b>OPERATING BUDGET</b>	<b>FY 2000 Actual</b>	<b>FY 2001 Actual</b>	<b>FY 2002 Approp</b>	<b>FY 2003 Request</b>	<b>FY 2003 Gov Rec</b>
<b>BY PROGRAM</b>					
Administration	469,300	535,900	561,500	569,300	563,700
Building Safety	6,779,400	8,139,700	8,333,200	12,504,100	8,834,800
<b>Total:</b>	<b>7,248,700</b>	<b>8,675,600</b>	<b>8,894,700</b>	<b>13,073,400</b>	<b>9,398,500</b>
<b>BY FUND CATEGORY</b>					
Dedicated	7,155,700	8,558,900	8,729,300	13,003,300	9,330,300
Federal	93,000	116,700	165,400	70,100	68,200
<b>Total:</b>	<b>7,248,700</b>	<b>8,675,600</b>	<b>8,894,700</b>	<b>13,073,400</b>	<b>9,398,500</b>
Percent Change:		19.7%	2.5%	47.0%	5.7%
<b>BY OBJECT OF EXPENDITURE</b>					
Personnel Costs	4,770,900	5,459,200	6,533,300	6,761,300	6,671,000
Operating Expenditures	1,629,900	1,771,800	2,037,600	2,292,500	2,285,000
Capital Outlay	847,900	1,444,600	323,800	4,019,600	442,500
<b>Total:</b>	<b>7,248,700</b>	<b>8,675,600</b>	<b>8,894,700</b>	<b>13,073,400</b>	<b>9,398,500</b>
Full-Time Positions (FTP)	109.00	118.00	118.00	121.00	120.00

## Division Description

The Division of Building Safety consists of two budgeted programs: Administration and Building Safety

The Administration Program provides general guidance and administrative, financial, personnel, secretarial, and information technology services to all division bureaus.

The Building Safety Program includes the following bureaus: Building, Electrical, Logging & Industrial Safety, Plumbing, and Public Works Contractor Licensing.

The Building Bureau provides minimum levels of building, fire, and life safety for Idaho citizens by administering Uniform Building Code (UBC) programs involving the construction of state facilities, schools, prefabricated structures, and manufactured homes. Activities include plan checking, inspections, in-plant inspections of manufactured homes and prefabricated structures, HUD dealer lot manufactured home inspections, consumer records audits and complaint inspections.

The Electrical Bureau licenses all electricians and contractors, registers apprentices, issues permits, and reviews plans and inspects all electrical installations to ensure code compliance.

The Logging and Industrial Safety Bureau has a dual mission. The Industrial Safety Section inspects state, school district, county, and city facilities to ensure safe working conditions, and manages the statewide elevator and boiler safety programs. The Logging Safety Section exists to reduce the frequency and severity of accidents in the logging industry by conducting first aid safety classes and on-the-job safety meetings for loggers, providing safety training for management, and inspecting of on-going logging operations. The safety programs are funded by transfers from the Industrial Commission.

The Plumbing Bureau licenses plumbers and contractors, registers apprentices, issues permits, conducts inspections, and approves plans.

The Public Works Contractor Licensing Bureau licenses all contractors doing public works projects in the State of Idaho.

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## Comparative Summary

Decision Unit	AGENCY REQUEST		GOVERNOR'S REC	
	General	Total	General	Total
<b>FY 2002 Original Appropriation</b>	<b>0</b>	<b>8,894,700</b>	<b>0</b>	<b>8,894,700</b>
Expenditure Adjustments	0	1,000	0	1,000
<b>FY 2002 Estimated Expenditures</b>	<b>0</b>	<b>8,895,700</b>	<b>0</b>	<b>8,895,700</b>
Removal of One-Time Expenditures	0	(387,300)	0	(387,300)
<b>FY 2003 Base</b>	<b>0</b>	<b>8,508,400</b>	<b>0</b>	<b>8,508,400</b>
Personnel Cost Rollups	0	31,100	0	31,100
Inflationary Adjustments	0	26,600	0	0
Replacement Items	0	660,300	0	660,300
Nonstandard Adjustments	0	76,100	0	76,100
Change in Employee Compensation	0	61,200	0	0
Fund Shifts	0	0	0	0
<b>FY 2003 Program Maintenance</b>	<b>0</b>	<b>9,363,700</b>	<b>0</b>	<b>9,275,900</b>
1. Purchase of Meridian Building	0	3,577,100	0	0
2. Industrial Safety Additional FTP	0	0	0	0
3. Energy Programs	0	122,600	0	122,600
4. Boiler Safety	0	10,000	0	0
<b>FY 2003 Total</b>	<b>0</b>	<b>13,073,400</b>	<b>0</b>	<b>9,398,500</b>
Change from Original Appropriation	0	4,178,700	0	503,800
% Change from Original Appropriation		47.0%		5.7%
Change in FTP's		3.00		2.00

# Division of Building Safety

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## Budget by Decision Unit

	FTP	General	Dedicated	Federal	Total
<b>FY 2002 Original Appropriation</b>					
	118.00	0	8,729,300	165,400	8,894,700

### Expenditure Adjustments

1. Reflects a noncognizable increase for the transfer of operating expenses and capital outlay to commence the Energy Code Program from the Department of Water Resources in compliance with Executive Order 2001-06.
2. Also includes transfer of 1.00 FTP from the Building Bureau to the Electrical Bureau to account for shifting workload.

Agency Request	0.00	0	21,700	(20,700)	1,000
Governor's Recommendation	0.00	0	21,700	(20,700)	1,000

### FY 2002 Estimated Expenditures

Agency Request	118.00	0	8,751,000	144,700	8,895,700
Governor's Recommendation	118.00	0	8,751,000	144,700	8,895,700

### Removal of One-Time Expenditures

Reflects the removal of one-time expenditures, including funds for licensing for servers, computer equipment and software, vehicles, copiers, code books, and the noncognizable increase for the transfer of the Energy Code Program from the Division of Water Resources.

Agency Request	0.00	0	(355,400)	(31,900)	(387,300)
Governor's Recommendation	0.00	0	(355,400)	(31,900)	(387,300)

### FY 2003 Base

Agency Request	118.00	0	8,395,600	112,800	8,508,400
Governor's Recommendation	118.00	0	8,395,600	112,800	8,508,400

### Personnel Cost Rollups

Includes the employer portion of estimated changes in employee benefit costs.

Agency Request	0.00	0	30,700	400	31,100
Governor's Recommendation	0.00	0	30,700	400	31,100

### Inflationary Adjustments

Includes a general inflationary increase of 1.7% in operating expenditures.

Agency Request	0.00	0	25,900	700	26,600
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The Governor recommends no increase for inflation.

Governor's Recommendation	0.00	0	0	0	0
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### Replacement Items

### Building Safety

Replacement operating expenses: tape drive software (\$7,600), programming costs to maintain SQL program (\$85,200) and Microsoft software site licensing (\$125,000).

Replacement capital outlay: two tape drives (\$10,500); nineteen vehicles, seven for Electrical, three for Building, five for Plumbing, and four for Industrial Safety (\$432,000). The average vehicle mileage upon replacement will be approximately 124,300 miles.

Agency Request	0.00	0	653,800	6,500	660,300
Governor's Recommendation	0.00	0	653,800	6,500	660,300

### Nonstandard Adjustments

### Building Safety

This reflects inflationary costs for two leases signed during FY 2001: (1) new facility in Meridian, (2) new office space in Coeur d' Alene --\$48,100--and adjustments for Attorney General, Controller, and Treasurer fees.

Agency Request	0.00	0	74,800	1,300	76,100
Governor's Recommendation	0.00	0	74,800	1,300	76,100

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Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
<b>Change in Employee Compensation</b>					
Reflects the cost of a 1% salary increase for permanent and group positions.					
Agency Request	0.00	0	60,000	1,200	61,200
<i>The Governor recommends state employee compensation increases to be made from salary savings.</i>					
Governor's Recommendation	0.00	0	0	0	0
<b>Fund Shifts</b>					
					<b>Building Safety</b>
1. Reflects fund shift for new Meridian lease to allocate bureau usage of square feet.					
2. Also reflects shifting appropriation and partial FTP to the Building Bureau from the Manufactured Homes program.					
Agency Request	0.00	0	52,800	(52,800)	0
Governor's Recommendation	0.00	0	52,800	(52,800)	0
<b>FY 2003 Program Maintenance</b>					
Agency Request	118.00	0	9,293,600	70,100	9,363,700
Governor's Recommendation	118.00	0	9,207,700	68,200	9,275,900
<b>1. Purchase of Meridian Building</b>					
					<b>Building Safety</b>
This enhancement would provide the Division of Building Safety with \$3,577,100 in one-time capital outlay to purchase the building the Division is currently leasing in Meridian. A lease/purchase analysis, as required by law, indicates purchasing the current facility would result in significant cost savings.					
Agency Request	0.00	0	3,577,100	0	3,577,100
<i>The Governor does not recommend this enhancement.</i>					
Governor's Recommendation	0.00	0	0	0	0
<b>2. Industrial Safety Additional FTP</b>					
					<b>Building Safety</b>
Add one FTP for the Industrial Safety Program to hire a permanent employee currently hired through temporary agency. Move Operating Expenses to Personnel Costs to cover costs. There is no change in the appropriation total because of this additional FTP.					
Agency Request	1.00	0	0	0	0
<i>The Governor does not recommend this enhancement.</i>					
Governor's Recommendation	0.00	0	0	0	0
<b>3. Energy Programs</b>					
					<b>Building Safety</b>
This reflects a transfer of resources and responsibilities from the Department of Water Resources to the Division of Building safety. Executive Order 2001-06 (March 8, 2001) continued the Energy Division of the Department of Water Resources as the lead state agency for certain energy planning, policy, and coordination functions. However, the executive order also directed the department to enter into a memorandum of agreement with the Division of Building Safety to transfer two positions and associated funding for the purpose of developing, promoting, implementing, and enforcing energy codes and standards for commercial and residential buildings. This enhancement adds two positions, \$106,600 in personnel costs, and \$16,000 in operating expenditures to the Division of Building Safety. The positions are funded by the Petroleum Price Violation Fund. [Ongoing]					
Agency Request	2.00	0	122,600	0	122,600
Governor's Recommendation	2.00	0	122,600	0	122,600

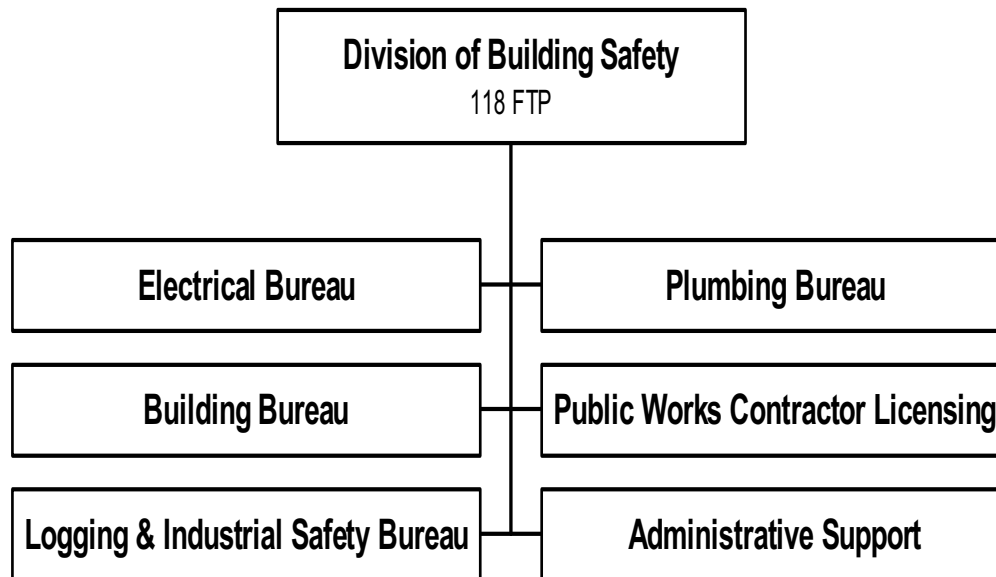
# Division of Building Safety

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Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
<b>4. Boiler Safety</b>					
This enhancement would provide the Division with \$10,000 in ongoing operating expenses to contract with a boiler and pressure vessel consultant. This consultant is needed to conduct assessments of private boiler and pressure vessel inspections, investigate complaints and accidents, answer technical questions, and provide interpretations of the national boiler code. The state has no boiler inspectors of its own. Inspections are currently conducted by boiler inspectors working for insurance companies authorized to write insurance in Idaho.					
Agency Request	0.00	0	10,000	0	10,000
<i>The Governor does not recommend this enhancement.</i>					
Governor's Recommendation	0.00	0	0	0	0
<b>FY 2003 Total</b>					
Agency Request	121.00	0	13,003,300	70,100	13,073,400
Governor's Recommendation	120.00	0	9,330,300	68,200	9,398,500
Agency Request					
Change from Original App	3.00	0	4,274,000	(95,300)	4,178,700
% Change from Original App	2.5%		49.0%	(57.6%)	47.0%
<i>Governor's Recommendation</i>					
Change from Original App	2.00	0	601,000	(97,200)	503,800
% Change from Original App	1.7%		6.9%	(58.8%)	5.7%

## Division of Building Safety Issues & Information

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FY 2001 Total Actual Revenue		
Fund	Revenue	Percentage
Building Safety	\$ 740,000	9.6%
Electrical Bureau	\$ 3,348,900	43.6%
Federal Grants	\$ 35,400	0.5%
Industrial Safety*	\$ 795,700	10.4%
Logging Safety*	\$ 344,600	4.5%
Manufactured Housing	\$ 61,400	0.8%
NCSBCS**	\$ 44,700	0.6%
Plumbing Bureau	\$ 1,989,200	25.9%
Public Works Contractor Licensing	\$ 328,000	4.3%
<b>TOTAL</b>	<b>\$ 7,687,900</b>	

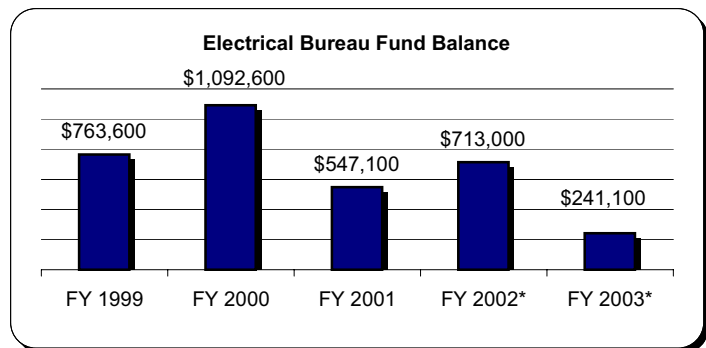
\* The Industrial and Logging Safety programs are funded entirely via Trustee and Benefit Payments from the Industrial Commission's compensation program. The compensation program is funded via a 2.5% premium tax on workers compensation policies.

\*\* Monies in this fund are used to fulfill requirements of the U.S. Department of Housing and Urban Development Interstate Monitoring Program via a contract with the National Conference of States on Building Codes and Standards (NCSBCS).

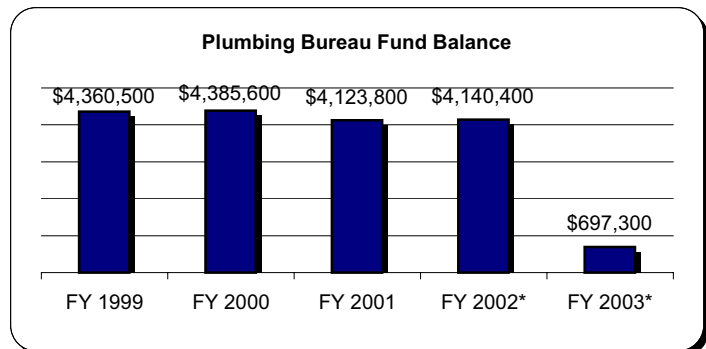
## Division of Building Safety Issues & Information

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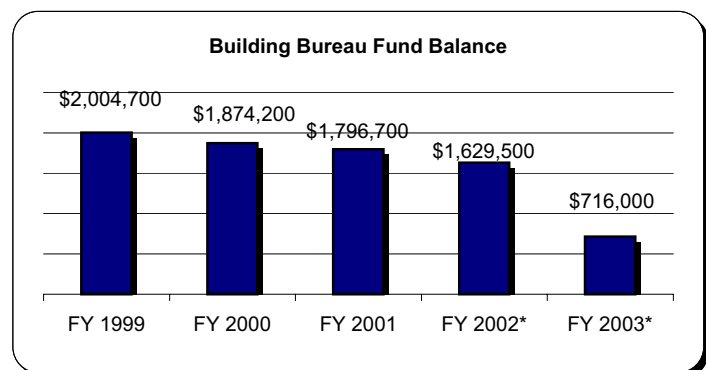
Electrical Bureau FY 2001 Actual Revenue		
Source	Amount	Percentage
Inspection Fees	\$ 3,015,600	90%
Licenses	\$ 264,600	8%
All Other	\$ 68,700	2%
<b>TOTAL</b>	<b>\$ 3,348,900</b>	



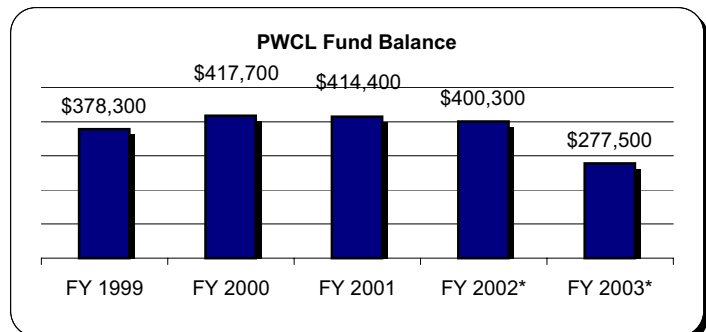
Plumbing Bureau FY 2001 Actual Revenue		
Source	Amount	Percentage
Inspection Fees	\$ 1,893,600	95%
Licenses	\$ 71,200	4%
All Other	\$ 24,100	1%
<b>TOTAL</b>	<b>\$ 1,988,900</b>	



Building Bureau FY 2001 Actual Revenue		
Source	Amount	Percentage
Inspection Fees	\$ 557,500	75%
Tech. Services	\$ 146,000	20%
All Other	\$ 36,500	5%
<b>TOTAL</b>	<b>\$ 740,000</b>	



Public Works Contractor Licensing FY 2001 Actual Revenue		
Source	Amount	Percentage
Licenses	\$ 328,000	100%
<b>TOTAL</b>	<b>\$ 328,000</b>	



\* FY02 and FY03 Fund Balances based on estimates

## Division of Building Safety Issues & Information

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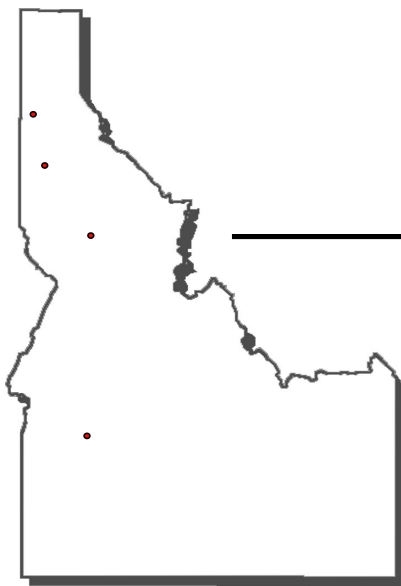
### BUILDING SAFETY - VEHICLE INFORMATION

Bureau	Vehicles in stock	Replacement vehicles requested	Additional vehicles requested	Number of employees using State vehicles	FY 2002 vehicles replaced
Building	8	3	0	7	0
Electrical	36	7	0	36	4
Industrial & Logging	13	4	0	13	2
Plumbing	30	5	0	27	3
PWCL*	1	0	0	1	0

\*Public Works Contractor Licensing

### BUILDING SAFETY - FY 2003 VEHICLES TO BE REPLACED

Bureau	Vehicle type	Date acquired	Mileage	Vehicle type	Date acquired	Mileage
Building	Sedan	1997	118,000	SUV	1995	128,000
	SUV	1997	110,000			
Electrical	4X4 Pickup	1997	105,900	4X4 Pickup	1999	106,300
	4X4 Pickup	1999	115,000	4X4 Pickup	2000	144,000
	4X4 Pickup	1999	106,300	4X4 SUV	1999	111,500
	4X4 Pickup	1999	144,700			
Industrial & Logging	SUV	1997	103,500	4X4 SUV	1995	198,000
	4X4 SUV	1995	146,000	4X4 SUV	1997	129,000
Plumbing	4X4 Pickup	1999	108,000	SUV	2000	116,000
	Pickup	2000	154,000	SUV	2000	112,000
	Pickup	2000	105,000			



#### Logging Safety Advisors Cover Four Regions of the State

**Coeur d'Alene:** St. Maries north to the Canadian border

**Potlatch:** St. Maries south to North Fork of the Clearwater

**Kamiah:** North Fork of the Clearwater south to Riggins

**Horseshoe Bend:** Riggins to southern and eastern borders.



# Division of Building Safety Issues & Information

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## LEASE/PURCHASE ANALYSIS

In FY 2001, the Division of Building Safety moved to a new 30,000 square foot leased building in Meridian. The Division is currently occupying 25,000 square feet (1,800 square feet is being sublet to the Department of Juvenile Corrections). The Division is requesting spending authority to purchase the facility in FY 2003. The free fund cash balances from the plumbing and building bureaus would be used to purchase the building. However, the cost of purchasing the building would be allocated on a percentage basis by bureau. The bureaus within the Division would replenish the plumbing and building bureaus' free fund balances by paying prorated rent based on occupancy.

A lease/purchase analysis conducted by the Division of Public Works, as required pursuant to Idaho Code §67-5708A, shows that over 40 years the Division of Building Safety would realize a savings of more than \$3.2 million in today's dollars if it were to purchase rather than lease its building. Stated differently, the cost ratio (calculated by dividing the 40 year net present value of the purchase cost by the 40 year net present value of the lease cost) is .51. This means purchasing the facility would cost approximately 51¢ per square foot versus the current lease expense of \$1.00 per square foot.

